

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

In re:
THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,
as representative of
THE COMMONWEALTH OF PUERTO RICO, *et al.*,
Debtors.¹

PROMESA
Title III
No. 17 BK 3283-LTS
(Jointly Administered)

This filing relates to the Commonwealth.

**REPLY OF THE COMMONWEALTH OF PUERTO RICO
TO RESPONSE FILED BY CLAIMANT THE UNIVERSITY OF PUERTO RICO
RETIREMENT SYSTEM TRUST [ECF NO. 6980] TO TWENTY-SEVENTH
OBJECTION (NON-SUBSTANTIVE) TO EXACT DUPLICATE CLAIMS**

To the Honorable United States District Judge Laura Taylor Swain:

The Commonwealth of Puerto Rico (the “Commonwealth”), by and through the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), as the representative of the Commonwealth pursuant to Section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”),² files this reply (the “Reply”) to the *Omnibus Response and Reservation of Rights in Connection with Certain Omnibus, Non-Substantive Objections to Proofs of Claim Filed by Debtors at Docket Nos. 6276, 6277 and 6279* [ECF No. 6980] (the “Response”), filed by claimant University of Puerto Rico Retirement System Trust (the

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the “Commonwealth”) (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA” and together with the Commonwealth, COFINA, HTA, and ERS, the “Debtors”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

² PROMESA is codified at 48 U.S.C. §§ 2101–2241.

“Claimant”) to the *Twenty-Seventh Omnibus Objection (Non-Substantive) of the Commonwealth of Puerto Rico to Exact Duplicate Claims* [ECF No. 6276] (the “Twenty-Seventh Omnibus Objection”). In support of this Reply, the Commonwealth respectfully represents as follows:

1. On April 15, 2019, the Commonwealth filed the Twenty-Seventh Omnibus Objection seeking to disallow in their entirety certain exact duplicate proofs of claim (collectively, the “Duplicate Claims”), as listed on Exhibit A thereto. As set forth in the Twenty-Seventh Omnibus Objection and supporting exhibits thereto, each of the Duplicate Claims assert the exact same liability, against the exact same Title III debtor, as another claim filed in the Title III proceeding. Any party who disputed the Twenty-Seventh Omnibus Objection was required to file a response by 4:00 p.m. (Atlantic Standard Time) on May 28, 2019, in accordance with the Court-approved notices attached to the Twenty-Seventh Omnibus Objection as Exhibits C, which were served in English and Spanish on the individual creditors subject to the Twenty-Seventh Omnibus Objection, the U.S. Trustee, and the Master Service List (as defined in the *Order Further Amending Case Management Procedures* [ECF No. 3804]). *See Certificate of Service* [ECF No. 6416].

2. On May 15, 2019, Claimant filed the Response. Therein, Claimant does not dispute that Claimant’s proof of claim filed against the Commonwealth on June 29, 2018 and logged by Prime Clerk as Proof of Claim No. 78244 (the “Claim”) is an exact duplicate of another proof of claim filed by Claimant against the Commonwealth on June 29, 2018 and logged by Prime Clerk as Proof of Claim No. 93752 (the “Remaining Claim”). Claimant “does not object to the non-substantive disallowance of one of the two POCs filed by the Trust against the Commonwealth, HTA and ERS, respectively.” Response, ¶ 6. Rather, the Response alleges that there was confusion about whether claims should have been filed through the Court’s CM/ECF

system or through Prime Clerk's system, and, out of an abundance of caution, Claimant filed proofs of claim with both systems. Claimant requests that the disallowance of the exact duplicate claims be "contingent on a finding that each of the remaining claims is *prima facie* valid, pursuant to 11 U.S.C. §502(a), regardless of which system was used to file them." *Id.*

3. Pursuant to Federal Rule of Bankruptcy Procedure 3001(f), any proof of claim filed in accordance with the bankruptcy rules "constitute[s] *prima facie* evidence of the validity and amount of the claim." As set forth in the Twenty-Seventh Omnibus Objection, the Commonwealth reserves its rights to object to the Remaining Claim on any other bases whatsoever. Because Claimant admits that the Claim is an exact duplicate of the Remaining Claims, and the parties do not dispute the relief sought in the Twenty-Seventh Omnibus Objection, the Commonwealth respectfully requests that the Court grant the Twenty-Seventh Omnibus Objection and disallow the Claim in its entirety.

Dated: June 5, 2019
San Juan, Puerto Rico

Respectfully submitted,

/s/ Hermann D. Bauer
Hermann D. Bauer
USDC No. 215205
O'NEILL & BORGES LLC
250 Muñoz Rivera Ave., Suite 800
San Juan, PR 00918-1813
Tel: (787) 764-8181
Fax: (787) 753-8944

Martin J. Bienenstock (*pro hac vice*)
Brian S. Rosen (*pro hac vice*)
PROSKAUER ROSE LLP
Eleven Times Square
New York, NY 10036
Tel: (212) 969-3000
Fax: (212) 969-2900

*Attorneys for the Financial Oversight and
Management Board as representative for the
Commonwealth*